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April 15, 2015

Timothy Oitzman
Greystone Group LLC
3840 Via de la Valle, Suite 200
Del Mar, California 92014

Dear Tim:

We are pleased to present, on behalf of VantaCore Partners LLC ("VantaCore" or the "Buyer") an offer to acquire all the assets of CALX Resources, LLC (the "Company" or the "Seller") through a Section 363 bankruptcy sale (the "Transaction") in which VantaCore will be named the "stalking horse" all to be set forth more fully in a definitive Asset Purchase Agreement ("APA").

Subject to the details set forth, we would anticipate moving forward with this process immediately. We would expect to immediately begin negotiating the APA and have executed an APA no later than April 28 and seek approval of the bidding procedures and stalking horse protection by no later than May 12, 2015. We would expect the auction to be held on June 8, 2015 with a closing on June 11, 2015. Below are the salient business terms of the Proposed Transaction:

Proposed Transaction: VantaCore would be named "stalking horse" and would bid to acquire substantially all of the assets of the Company for a total consideration of \$4 million (the "Purchase Price") on a debt-free, cash-free basis, plus a royalty on future revenues. The consideration would be paid over time as follows:

(A) Cash Consideration

- \$1.0 million at closing
- \$1.0 million on the first anniversary of closing
- \$1.0 million on the second anniversary of closing
- \$0.5 million on the third anniversary of closing
- \$0.5 million on the fourth anniversary of closing

(B) Sales Royalty

VantaCore would also propose paying the Company a royalty on any tons mined from the site and sold annually, in excess of 2.0 million per year for the duration of the mining life of the CALX property. The royalty would be the greater of (a) \$0.25/ton multiplied by sales tons in any year in excess of 2.0 million; or (b) 2.5% of the average gross sales price FOB the quarry on all tons, for sales tons exceeding 2.0 million in any year.

(C) WPP LLC Lease Claims

As additional consideration, WPP LLC would agree in the APA to waive all monetary claims arising under that certain lease between WPP LLC and the Company (the "Lease").

Bankruptcy Requirements: This sale shall be subject to approval by the Bankruptcy Court in the Chapter 11 case of the Company. The Company will seek to have the following Bidding Procedures approved:

- **Minimum Overbid:** A requirement that the cash purchase component of other bidders' offers exceed the Purchase Price by a minimum of \$200,000.
- **Buyer Deposit:** Buyer will submit a deposit of \$100,000 upon court approval of Buyers as the stalking horse. In the event that Buyer is not selected as the winning bidder, the \$100,000 deposit will be returned in full within 48 hours of the auction. The Buyer will be provided protections that deposit funds will be escrowed, and held separately from other Company funds.
- **Competing Bidder Deposit:** A requirement that other bidders submit a deposit of at least \$100,000 in order to be a competing bidder.
- **Break-Up Fee:** A break-up fee equal to \$90,000 (the "Break-Up Fee") payable to VantaCore in the event that a competing bidder closes a transaction. The Break-Up Fee will be considered as a priority administrative claim by the court and will be paid to VantaCore from the proceeds at closing from the competing bidder.
- **Expense Reimbursement:** An expense reimbursement up to a maximum of \$60,000 (the "Expense Reimbursement") for due diligence, legal, and other reasonable expenses incurred by VantaCore in association with the Transaction. The Expense Reimbursement will be considered as a priority administrative claim by the court and will be paid to VantaCore from the proceeds at closing from the competing bidder.
- **Bidding Procedures:** In addition to the terms previously outlined, bidding procedures filed by the Company in connection with the Transaction will be subject to final approval by VantaCore, which approval will not be unreasonably withheld.

Acquired Assets: This offer assumes that Buyer will purchase all of the assets of the Company, excluding cash, accounts receivables, deposits (including deposits securing applicable reclamation bonds), vehicles and inventory, but including and not limited to leases, permits, fixed assets, , licenses, and all other assets used in the operation of the business (the "Acquired Assets"). A partial list of Acquired Assets is itemized as follows:

- Marine assets, including the load-out deck barge
- Trommell
- Office Building, including all furniture and fixtures
- All equipment, including mobile, and plant, but excluding vehicles
- Scalehouse and scales

- Permits, infrastructure and land improvements
- Petroleum tanks
- WPP LLC Aggregate Mining Lease
- All geologic, financial, operational, permitting, and any other historic information
- Any information technology equipment, including computers, hardware, software including all scale measurement equipment.

CALX, Billy Harper and Richard Dempsey, agree to provide assistance, and best efforts in transferring all permits, including, but not limited to the Air, KPDES, Surface Mine, Water Quality and US Army Corps of Engineer Permits. For the avoidance of doubt, bankruptcy causes of action and corporate records are excluded from the Acquired Assets.

Excluded Inventory: For the purposes herein, excluded inventory, includes aggregates, tires, product, spares and parts. The Seller shall be responsible for sales of the aggregates inventory located at the property as of the close date (the "Closing Date Inventory"), for a period of three months following the close date. The Buyer agrees to load the Seller's Inventory into third party haul trucks or barges identified by the Seller, at a cost of \$1.50 per ton during this period. The load out cost shall include services for loading, scaling, ticketing and provision of this information to the Seller. Any remaining and unsold Closing Date Inventory after this three month period shall become the property of the Buyer.

Excluded Liabilities: The Purchase Price assumes that the Buyer will not assume any pre- or post-petition liabilities. The Purchase Price assumes that the Acquired Assets will be delivered free and clear of liens, claims, and interests.

WPP LLC Lease: Upon the execution of the APA, WPP LLC will agree to an extension of the April 21, 2015 deadline for assumption or rejection of the Lease for a period not to exceed the earlier of (1) 60 days from the execution of the APA and (2) the day following the conclusion of the auction. To the extent that Buyer and Seller are negotiating in good faith to enter into an APA, but an APA has not been executed by the current April 21, 2015 deadline, WPP LLC will agree to extend the deadline to May 5, 2015.. If VantaCore is not deemed the winning bidder, WPP LLC has informed VantaCore that it will not consent to the assignment and assumption of its Lease or otherwise waive any payments due thereunder. The Company is required to cure all defaults and meet all requirements of Bankruptcy Code for the assumption and assignment of the Lease to a third party.

Financing: There will be no financing contingency.

Representations and Warranties: The definitive purchase agreement will have customary representations and warranties for a bankruptcy transaction of this type.

Timing: We would look to sign this letter of intent as soon as possible. We would expect to agree on an APA by April 28th and seek approval of the bidding procedures and stalking horse protection by no later than May 12, 2015. We would expect the auction to be held on June 8, 2015 with a closing on June 11, 2015, or as soon thereafter as reasonably possible.

Due Diligence: VantaCore will require no additional due diligence.

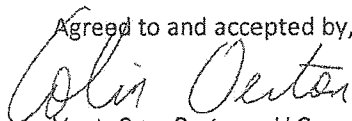
Exclusivity: Upon execution of this agreement, upon the earlier of (a) May 12, 2015 or (b) the bankruptcy court approving Buyer as stalking horse, the Seller and VantaCore will work exclusively with the Company to enter into a definitive APA. Neither the Company, Billy Harper, Richard Dempsey, nor any of their attorneys, investment bankers, or other advisors (collectively, the "Representatives") will, directly or indirectly, without VantaCore's prior written consent, solicit, encourage, or initiate any offer or proposal from, or engage in any discussions or negotiations with, or enter into an agreement with, or provide any information to, any corporation, partnership, person, or other entity or group, other than VantaCore and its Representatives concerning any transaction involving the Company, the sale of all or any portion of its business or assets during this time period. Seller and VantaCore agree that if the parties are working in good faith toward a definitive asset purchase agreement, exclusivity may be extended.



Expiration of Offer: This offer will expire at 10:00 am EST on April 16, 2015 unless executed by both Company and Buyer.

Not Binding Commitment: Nothing herein is intended to, or shall, create any rights in favor of either party and nothing herein (other than the provisions entitled Exclusivity and Not Binding Commitment, each of which is intended to, and shall, be legally binding) is intended to, or shall, be legally binding. A legally binding obligation regarding the purchase will arise only upon the execution of a mutually acceptable definitive asset purchase agreement.

We look forward to working with you on this transaction.

Agreed to and accepted by,


VantaCore Partners LLC


The Company

with Limited Power of Atty